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NEW CAL-NEVA LODGE, LLC

UNITED STATES BANKRUPTCY COURT

DISTRICT OF NEVADA

In re

NEW CAL-NEVA LODGE, LLC,

Debtor.

Case No. 16-51282-gwz

Chapter 11

**NOTICE OF BIDDING PROCEDURES,
AUCTION DATE, AND TRANSACTION
APPROVAL HEARING**

Hearing Date: February 21, 2017

Hearing Time: 2:00 p.m.

Auction Date: February 28, 2017

Auction Time: 10:00 a.m.

PLEASE TAKE NOTICE that on December 2, 2016, New Cal-Neva Lodge, LLC, the debtor and debtor in possession in the above-captioned chapter 11 case (the “Debtor”), filed the Motion for Orders (I)(A) Authorizing and Approving Bidding Procedures, (B) Approving Notice Procedures and Procedures Related to the Assumption of Certain Executory Contracts and Unexpired Leases, and (C) Setting a Date for the Transaction Approval Hearing, and (II) Authorizing and Approving (A) the Sale of Certain Assets Free and Clear of All Liens, Claims,

1 Encumbrances and Interests or Financing Transaction and (B) the Assumption and Assignment of
 2 Certain Contracts (the “Motion”)¹ (**Docket No. 205**). The Debtor seeks approval of, among other
 3 things, a sale of certain assets and assumption of certain liabilities of the Debtor to, or the
 4 financing transaction that maximizes value to the Debtor’s estate with, a Successful Bidder or a
 5 Back-Up Bidder (in each event, the “Transaction”).
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7 **PLEASE TAKE FURTHER NOTICE** that, on January 6, 2017, the court entered an
 8 order (the “Bidding Procedures Order”) (**Docket No. 256**) approving, among other things, the
 9 Bidding Procedures requested in the Motion, which set forth the key dates and times relating to the
 10 Transaction. All interested bidders should carefully read the Bidding Procedures Order and the
 11 Bidding Procedures. To the extent that there are any inconsistencies between the Bidding
 12 Procedures Order (including the Bidding Procedures) and the summary description of its terms
 13 and conditions contained in this Notice, the terms of the Bidding Procedures Order shall control.
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15 **PLEASE TAKE FURTHER NOTICE** that a status conference and hearing will be held
 16 before the Honorable Judge Gregg W. Zive in the United States Bankruptcy Court for the District
 17 of Nevada, located in Reno, Nevada, at the C. Clifton Young Federal Building at 300 Booth Street
 18 (the “Courthouse”), on **February 21, 2017, at 2:00 p.m.** (the “Pre-Auction Hearing”), to approve
 19 the designation of Qualified Bids and the determination of the Starting Bid under the Bidding
 20 Procedures and to consider any other issues that any party asserts, or the Court determines, should
 21 be resolved prior to the Auction, including all issues relating to the conduct of the Auction, which
 22 may include procedural rules governing the Auction, the qualification of any Potential Bidders or
 23 bids, as well as any party’s right to credit bid.
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 28 ¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

1 **PLEASE TAKE FURTHER NOTICE** that, pursuant to the terms of the Bidding
2 Procedures, the Auction is scheduled for **10:00 a.m. (PT) on February 28, 2017** (“Auction
3 Hearing”), to be conducted under the supervision of the Honorable Judge Gregg W. Zive, at the
4 Courthouse, which Auction may be cancelled or adjourned. Within twenty-four (24) hours
5 following the conclusion of the Auction, the Debtor shall file a notice identifying the Successful
6 Bidder(s) with the Court.

8 **PLEASE TAKE FURTHER NOTICE** that the Debtor will file a motion (the
9 “Transaction Approval Motion”) that seeks entry of an order (the “Transaction Order”) that is
10 expected to provide, among other things, that, if the Transaction is a sale, any Successful Bidder(s)
11 will have no responsibility for, and the Assets will be sold free and clear of, any successor
12 liability, including the following: (a) any liability or other obligation of the Debtor’s estate or
13 related to the Assets other than as expressly set forth in the Transaction Order; or (b) any claims
14 against the Debtor, its estate, or any of its predecessors or affiliates. Except as expressly provided
15 in any Transaction Order, the Successful Bidder shall have no liability whatsoever with respect to
16 the Debtor’s estate’s (or its predecessors’ or affiliates’) respective businesses or operations or any
17 of the Debtor’s estate’s (or their predecessors’ or affiliates’) obligations based, in whole or part,
18 directly or indirectly, on any theory of successor or vicarious liabilities of any kind or character,
19 including, but not limited to, any theory of antitrust, environmental, successor or transferee
20 liability, labor law, joint employer, de facto merger or substantial continuity, whether known or
21 unknown as of the closing date, now existing or hereafter arising, whether asserted or unasserted,
22 fixed or contingent, liquidated or unliquidated with respect to the Debtor or any obligations of the
23 Debtor arising prior to the closing date, including, but not limited to, liabilities under any
24 collective bargaining agreement or on account of any taxes arising, accruing or payable under, out
25 of, in connection with, or in any way relating to the operation of any of the Assets prior to the
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1 closing of the Transaction.

2 **PLEASE TAKE FURTHER NOTICE** that an evidentiary hearing to approve the
3 Transaction (the “Transaction Approval Hearing”) will be held before the Honorable Judge Gregg
4 W. Zive at the Courthouse, following the conclusion of the Auction. The Transaction Approval
5 Hearing may be adjourned from time to time without further notice to creditors or parties in
6 interest other than by announcement of the adjournment in open court on the date scheduled for
7 the Transaction Approval Hearing. **OBJECTIONS TO THE TRANSACTION MUST STATE**
8 **THE LEGAL AND FACTUAL BASIS OF SUCH OBJECTION AND MAY BE ORALLY**
9 **SUPPLEMENTED AT THE TRANSACTION APPROVAL HEARING. ANY AND ALL**
10 **WRITTEN OBJECTIONS TO THE TRANSACTION, AS WELL AS ALL WRITTEN**
11 **OBJECTIONS AND RESPONSES, AND ALL SUPPORTING AUTHORITIES, THAT**
12 **ANY PARTY WISHES TO HAVE HEARD AT THE PRE-AUCTION HEARING, MUST**
13 **BE: (A) IN WRITING; (B) SIGNED BY COUNSEL OR ATTESTED TO BY THE**
14 **OBJECTING OR RESPONDING PARTY; (C) IN CONFORMITY WITH THE**
15 **BANKRUPTCY RULES AND THE LOCAL RULES; (D) FILED WITH THE COURT;**
16 **AND (E) BE SERVED IN ACCORDANCE WITH THE LOCAL RULES SO AS TO BE**
17 **RECEIVED ON OR BEFORE 5:00 P.M. (PREVAILING PACIFIC TIME) ON**
18 **FEBRUARY 16, 2017 (THE “TRANSACTION OBJECTION DEADLINE”), PROVIDED,**
19 **HOWEVER, THAT ANY OBJECTIONS OR RESPONSES SOLELY WITH RESPECT TO**
20 **THE QUALIFICATION OF BIDS OR THE DETERMINATION OF THE STARTING BID**
21 **MAY BE MADE AT THE PRE-AUCTION HEARING.**

22 **A paper copy of any response should also be delivered to the Clerk’s office identified**
23 **as “Copy For Chambers” or some similar designation.**

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1 **PLEASE TAKE FURTHER NOTICE** that counterparties to contracts that may be
2 assumed and assigned to the Successful Bidder will receive a separate notice regarding cure
3 amounts and adequate assurance of future performance.

4 **PLEASE TAKE FURTHER NOTICE** that this Notice is subject to the full terms and
5 conditions of the Motion, the Transaction Approval Motion, Bidding Procedures Order, and
6 Bidding Procedures, which Bidding Procedures Order shall control in the event of any conflict.
7 The Debtor encourages parties in interest to review such documents in their entirety. Any party
8 that has not received a copy of the Motion or the Bidding Procedures Order that wishes to obtain a
9 copy of the Motion or the Bidding Procedures Order, including all exhibits thereto, or that wishes
10 to obtain a copy of the Transaction Approval Motion when it is filed, may make such a request in
11 writing to Keller & Benvenuti LLP, Attn: Dara L. Silveira, Esq., 650 California Street, Suite
12 1900, San Francisco, CA 94108, or by e-mailing dsilveira@kellerbenvenuti.com.
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15 Dated: January 9, 2017.

HARTMAN & HARTMAN

16 /S/ Jeffrey L. Hartman

17 JEFFREY L. HARTMAN

18 **KELLER & BENVENUTTI LLP**

19 *Attorneys for Debtor and Debtor-in-Possession*
20 *NEW CAL-NEVA LODGE, LLC*
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